

ISSUE DATE: April 13, 2000

DOCKET NO. P-407,421/CP-97-1003

ORDER CERTIFYING POLLING RESULTS AND DIRECTING IMPLEMENTATION

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Gregory Scott
Edward A. Garvey
Joel Jacobs
Marshall Johnson
LeRoy Koppendrayner

Chair
Commissioner
Commissioner
Commissioner
Commissioner

In the Matter of a Petition for Extended Area
Service from Floodwood to the Alborn/Duluth
Local Calling Area

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PROCEDURAL HISTORY

On July 3, 1997, subscribers in the Floodwood exchange submitted a petition for extended area service (EAS) to the Alborn, Cromwell, Hibbing and Duluth exchanges. US WEST Communications, Inc. (USWC) serves the Hibbing and Duluth exchanges, and Contel of Minnesota d/b/a GTE Minnesota (GTE) serves the Floodwood, Alborn, and Cromwell exchanges.

On September 5, 1997, GTE filed traffic studies for the petitioned routes.

On November 12, 1997, the Minnesota Department of Public Service (the Department) filed comments. The Department reported that it did not receive protest regarding the validity of the petition and that it was signed by the required number of customers; at least equal to the lesser of 600 customers or 15 percent of the basic business and residential access lines in the Floodwood exchange.

On March 6, 1998, the Commission issued its ORDER FINDING ADJACENCY AND TRAFFIC VOLUME AND REQUIRING THE FILING OF COST STUDIES AND PROPOSED RATES. In its order, the Commission found and confirmed that the Floodwood to Alborn/Duluth local calling area (LCA) met both the adjacency and traffic criteria but that the Floodwood to Cromwell and Hibbing routes failed to meet the traffic criterion. The Commission, therefore, rejected the EAS route proposed to Cromwell and Hibbing but approved further consideration of the Floodwood-Alborn/Duluth LCA route and directed GTE and USWC to submit cost studies for further consideration of EAS to the Alborn/Duluth LCA.

On June 19, 1998, both affected companies filed their cost studies.

On September 17, 1998, the Department filed its comments regarding the cost studies and gave its recommendations to the Commission. In these recommendations, the Department provided slightly adjusted cost studies and suggested a 60/40 split in the allocation revenue requirement between the petitioning and the petitioned exchanges, based on their relative line counts.

On June 18, 1999, the Commission issued its ORDER ESTABLISHING RATES FOR POLLING. In this Order the Commission adopted rates and directed polling of the subscribers in the Floodwood exchange.

Polling of the subscribers in the Floodwood exchange took place between January 7 and February 22, 2000.

On March 28, 2000 the Commission met to consider this matter.

FINDINGS AND CONCLUSIONS

I. Certification of Polling Results

The results of the polling show that a majority of voting subscribers in the Floodwood exchange voted in favor of EAS between Floodwood and the Alborn/Duluth LCA. The results were as follows:

Voting Exchange	Petitioned Exchange	Res. EAS Rate	Bus. EAS Rate	% Voting	Yes		No	
					#	%	#	%
Floodwood	Alborn/Duluth	\$3.55	\$7.09	78.8	616	88.9	77	11.1

II. Order for Installation

The third and final criterion for EAS is that the majority of customers responding to a poll in the petitioning exchange favor the proposed EAS. Because a majority of the Floodwood customers returning their ballots voted in favor of EAS between Floodwood and Alborn/Duluth LCA the third and final criterion for this route is met.

Accordingly the Commission will direct Contel of Minnesota d/b/a GTE Minnesota (GTE) to implement the requested EAS route within 12 months of the date of this Order. To expedite and

coordinate the implementation process, the Commission will order GTE to coordinate the implementation of EAS with the other telephone companies serving Alborn/Duluth and file a schedule of the planned implementation within 60 days of this Order. The Company will also be required to immediately notify the Commission if there is any change in the implementation schedule and explain the reasons for the change.

III. Miscellaneous

Details regarding required customer notices, recovery of non-recurring costs and tariff filing requirements are set forth in the Ordering paragraphs.

ORDER

1. The petition for EAS between Floodwood and Alborn/Duluth LCA is approved. GTE shall implement the service within 12 months following the date of this Order.
2. GTE shall coordinate implementation of EAS with the telephone companies that serve the petitioned exchanges and file an implementation schedule within 60 days of this Order. If, for some reason, the implementation schedule changes, GTE shall immediately notify the Commission and explain the reason(s) for the change(s).
3. GTE shall file the first of two proposed customer notices for approval by the Commission within 10 days of the date of this Order. The notices shall list the results of the polling, the EAS additives and the proposed implementation date. After approval, the Company shall serve the notice in the first possible billing cycle for its Floodwood exchange.
4. GTE shall send a final, Commission approved, notice to its Floodwood customers, either by bill insert or separate mailing. This final notice shall describe the service, instruct customers on dialing, list the additional monthly rates, the date of implementation and any other pertinent information. The Company shall issue this final notice one month before it implements EAS.
5. GTE shall make any requests for recovery of non-recurring costs at least 120 days before the planned implementation date. The Department shall have 30 days to comment on the proposed charges.
6. GTE and US WEST Communications, Inc.(USWC) shall file proposed customer notices, for customers in the petitioned exchanges of Alborn/Duluth, respectively, for approval by Commission staff 90 days before the anticipated implementation dates for these EAS routes. This notification shall describe the service, instruct customers on dialing, list the additional rates to be paid and the date of implementation. The companies shall include their notices in the billing cycles that conclude at least one month, but not more than two months, before EAS is implemented.

7. All affected companies shall file tariff sheets reflecting Commission Orders that establish the rates and terms for EAS between Floodwood and Alborn/Duluth LCA at least 30 days before the implementation of EAS.
8. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Burl W. Haar
Executive Secretary

(S E A L)

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